



California Public Utilities Commission

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News Release

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PUC COMMISSIONER SUSAN P. KENNEDY: TRACK BLOCKING OF CELL PHONE NUMBER TRANSFERS

SAN FRANCISCO, December 4, 2003 - Commissioner Susan P. Kennedy of the California Public Utilities Commission (PUC) today called for determined monitoring and a possible investigation of carriers that blocked customers from carrying their cell phone numbers to new companies.

Since last month cell phone customers have had the right to take their numbers with them when they switch carries. Under Federal Communications Commission (FCC) rules, the company being left should not interfere in the process.

However, reports indicate that numerous customers who want to switch have been blocked, delayed, or harassed.

Commissioner Kennedy said at today's PUC meeting, "Yesterday I received a report from one carrier that some customers seeking to switch to their service have been subjected to delays as long as 10 days from their current carrier, during which time those customers were bombarded with solicitations to stay with their current carrier - in clear violation of federal rules."

Commissioner Kennedy added, "Some of these may be technology glitches that are unavoidable with this kind of complicated transition, and maybe even have been fixed by now. But some of these sound an awful lot like the kind of delay and foot-dragging that the FCC specifically warned would not be tolerated. Cell phone number portability is now a customer's basic right. If customers are being jerked around, this Commission needs to be prepared to act, and act swiftly. I intend to make sure this happens."

Commissioner Kennedy said federal regulation clearly forbid blocking or harassing cell phone customers, "In issuing their order, the FCC established clear expectations with regard to protecting consumers during this process, and made it crystal clear that they will accept no excuses for companies that willfully subject customers to delay or unnecessary bureaucratic hurdles."

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Statement of Commissioner Susan Kennedy
Regarding Implementation of Local Number Portability in California

December 4, 2003

Two weeks ago, on November 24th, a seismic event took place in the telecommunications industry when the FCC implemented Local Number Portability for wireless customers.

By transferring control over this vitally important asset – your personal phone number – from the carrier to the customer, the FCC has instituted one of the most powerful consumer protection measures possible – the power to say No.

Everyone knew that number portability would cause huge disruption in the industry with companies scrambling to keep their customers, technology glitches in the porting process, and an inevitable increase in the churn rate creating even more financial uncertainty for an industry still struggling in this economy. Even though the initial volume of switching has not been as high as some had predicted, the problems are the same.

In issuing their order, the FCC established clear expectations with regard to protecting consumers during this process, and made it crystal clear that they will accept no excuses for companies that willfully subject customers to delay or unnecessary bureaucratic hurdles.

As the agency primarily responsible for consumer protection, we are the front line in this critical transition. I believe this Commission must be prepared to enforce those consumer protections during this process.

Unfortunately, yesterday I received a report from one carrier that some customers seeking to switch to their service have been subjected to delays as long as 10 days from their current carrier, during which time those customers were bombarded with solicitations to stay with their current carrier – in clear violation of federal rules.

A carrier reportedly “lost” thousands of requests for transfers, forcing those customers to wait days while the entire porting process was started over again.

In another instance, a carrier said they would only accept a faxed paper form for each request by another carrier to switch a customer, instead of completing the transfer electronically.

Some of these may be technology glitches that are unavoidable with this kind of complicated transition, and maybe even have been fixed by now. But some of these sound an awful lot like the kind of delay and foot-dragging that the FCC specifically warned would not be tolerated.

Cellphone number portability is now a customer’s basic right. If customers are being jerked around, this Commission needs to be prepared to act, and act swiftly.

I intend to make sure this happens.

We have the authority under Section 2895 in state law to enforce “reasonable service quality standards” and I believe we should be prepared to use it.

I have asked the Consumer Affairs Branch and Telecommunications Division to track separately all complaints by customers concerning their efforts to take their phone number to a new wireless carrier. I would also welcome information and data from wireless carriers concerning the difficulties customers have faced in porting their numbers onto their networks.

In the next several weeks, I plan to monitor the experiences of California customers and wireless companies with local number portability. I hope the reports I have been receiving are temporary glitches. A company that fails to provide timely porting of telephone numbers to the carrier of the customer’s choosing should face a fine of some other sanction by this Commission.

Since fining a company would require the opening of a formal investigation, I believe that the Commission should receive from Telecommunications Division a report at the next Commission meeting on the experience of customers and wireless carriers with implementation of local number portability in California.

Since this report and discussion by Commissioners could lead to an enforcement action, I believe it should take place in our executive session and be noticed on the Commission agenda as appropriate.